

Introduced: 1/13/81
Referred: Labor and Commerce

1 IN THE SENATE

BY RODEY

2 SENATE BILL NO. 19

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the legal rate of interest; and
7 providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 45.45.010(b) is amended to read:

10 (b) No interest may be charged by express agreement of the
11 parties in a contract or loan commitment [DATED AFTER JUNE 4, 1976]
12 which is more than five percentage points above the annual rate charged
13 member banks for advances by the 12th Federal Reserve District on the
14 day on [THAT PREVAILED ON THE 25th DAY OF THE MONTH PRECEDING THE
15 COMMENCEMENT OF THE CALENDAR QUARTER DURING] which the contract or loan
16 commitment is made. A contract or loan commitment in which the princi-
17 pal amount exceeds \$100,000 is exempt from the limitation of this
18 subsection.

19 * Sec. 2. AS 45.45.010(d) is repealed.

20 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
21 070(c).